



DEPARTMENT OF THE TREASURY OFFICE OF PUBLIC AFFAIRS

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TREASURY DEPARTMENT ANNOUNCES \$2.5 BILLION TO HELP NATION'S LOW-INCOME COMMUNITIES *First Awards Made Under New Markets Tax Credit Program*

The U.S. Department of the Treasury today announced that sixty-six (66) organizations have been selected to receive the first \$2.5 billion in tax credit allocations under the New Markets Tax Credit (NMTC) program aimed at stimulating economic opportunity and job creation in low-income communities. The organizations were selected through a competitive application and rigorous review process.

“The Administration is committed to an agenda for jobs and economic opportunity for all families in all communities across this great country,” said Treasury Secretary John W. Snow. “We won’t be satisfied until everyone who wants a job can find a job. The President’s Jobs and Growth Package is one example of that commitment; the first awards under the New Markets Tax Credit program are yet another.”

The NMTC program, established by Congress in December 2000, permits individual and corporate taxpayers to receive a credit against Federal income taxes for making Qualified Equity Investments in investment vehicles known as Community Development Entities (CDEs). The credit provided to the investor totals 39 percent of the cost of the investment and is claimed over a seven-year period. Substantially all of the taxpayer’s investment must in turn be used by the CDE to make qualified investments in low-income communities. These investments will be expected to result in the creation of jobs and the material improvement in the lives of residents of low-income communities. Examples of expected projects include small business financing, improved community facilities such as daycare centers and charter schools, and increased homeownership opportunities.”

The NMTC program is administered by Treasury's Community Development Financial Institutions (CDFI) Fund. Tony T. Brown is director of the CDFI Fund.

Additional information can be found on the CDFI Fund's web site: www.cdfifund.gov .